



SERVICE LEVEL AGREEMENT

Entered into by and between:

RICHMOND LOCAL MUNICIPALITY

A Local Municipality established in terms of the provisions of the Local Government
Municipal Structures' Act No. 117 of 1998

(Herein represented by **B.E MSWANE** in his capacity as the **Municipal Manager**)

(Hereinafter referred to as "The Municipality")

And

COMPANY NAME

REGISTRATION NUMBER:

(A Private Company duly registered in terms of the laws of South Africa, having its main
place of business at **company physical address**, in his capacity as **company representative**
title and an authorised signatory herein)

(Herein referred to as "The Service Provider")

**TENDER NUMBER: RLM-05/2025/2026: GENERAL VALUATION AND PREPARATION OF
A VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2027 AND PREPARATION AND
UPDATING OF THE VALUATION ROLL FOR THE PERIOD 1 JULY 2027 TO 30 JUNE 2032**

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

1. INTRODUCTION

It is recorded that:

- 1.1. The Municipality called for suitably qualified service providers specializing in general valuation and preparation of a valuation roll for implementation from 1 July 2027 and preparation and updating of the valuation roll service under Tender No: RLM-05/2025/2026
- 1.2. The Municipality, in terms of its Supply Chain Management procedures awarded and appointed **company name** as the preferred bidder in terms of the Letter of Appointment dated **date of appointment** attached hereto and marked Annexure "A";
- 1.3. Service Provider and the Municipality (herein referred to as the Parties) have reached an agreement on the terms and conditions which will regulate the provision of the services and wish to reduce their agreement to writing as follows:

WHEREFORE

The Parties record their terms and conditions of agreement set out in this Contract.

2. INTERPRETATION

- 2.1 The headings of the clauses in this Contract are for the purpose of convenience and reference only and shall not be used in the interpretation of or modify the terms of this Contract nor any clause thereof unless a contrary intention clearly appears.

- 2.2 Words importing –

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Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

- 2.2.1 the singular includes a reference to the plural and vice versa.
- 2.2.2 any one gender includes a reference to the other genders,
- 2.2.3 a natural person includes a reference to a juristic person and vice versa.
- 2.3 Where any term is defined within the context of any particular clause in this Contract, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Contract, notwithstanding that that term has not been defined in this interpretation clause.
- 2.4 The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely:
- 2.4.1 **“Agreement Price”** means the total amount of fees that will be charged by the Service Provider, including disbursements and VAT, for the performance of Services in terms of this Agreement and as awarded under Tender RLM-05/2025/2026,
- 2.4.2 **“Confidential”** means any information or data of any nature, tangible or intangible, oral or in writing and in any format or medium, which by its nature or content is or ought reasonably to be identifiable as confidential and/or proprietary to the Parties or which is provided or disclosed in confidence, and which the Parties may disclose or provide to a third party or which may come to the knowledge of a third party or by whatsoever means. The determination of whether information is Confidential Information shall not be affected by whether or not such information is subject to, or protected by, common law or statute related to

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

copyright, patent, trademarks or otherwise;

2.4.3 “**Breach**” means failure to perform on any obligation set out in this Agreement,

2.4.4 “**Business Day**” means a day, other than a Saturday, Sunday or public holiday in South Africa;

2.4.5 “**Designated Representatives**” means officials duly delegated and/ or assigned to the implementation / enforcement of this Agreement on behalf of the Parties. Either Party may replace such designated representative (as applicable) from time to time on reasonable prior written notice to the other Party;

2.4.6 “**Effective Date**” means the date of confirmation of appointment being site handover, notwithstanding the signature date of the last Party signing this Agreement;

2.4.7 “**Expenditure Accountant**” shall mean the Manager appointed and reporting to the Council of the Municipality.

2.4.8 “**Lump Sum**” means the amount tendered for an item, the extent of which is described in the Bill of Quantities, the specifications or elsewhere but the quantity of work of which is not measured in any units;

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

2.4.9 “**Parties**” means the Municipality and the Service Provider;

2.4.10 “**Project**” means the services to be performed by the Service Provider in terms of the requirements and the corresponding obligations to be fulfilled by the Service Provider;

2.4.11

2.4.12 “**Rate**” means the payment per unit of measurement at which the Service Provider tenders to do the work.

2.4.13

“**Service Provider**” **company name**.

2.4.14

“**Service Level Agreement**” means a Service Level Agreement creating a legally binding and enforceable agreement setting out the terms and conditions upon which the Parties have reached consensus about the provision of Service for the Municipality. This agreement shall specifically include annexures, and all other documents expressly incorporated into this Agreement, in their prevailing form from time to time;

3. OFFER, ACCEPTANCE AND PERFORMANCE OBLIGATIONS

3.1. The objective of this contract is the execution of and the payment for the work for which there has been an offer by the Municipality and an acceptance thereof by the Service Provider.

3.2. In pursuance of the objective the parties undertake to carry out their reciprocal obligations.

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

4. LEGISLATIVE FRAMEWORK AND DOCUMENTS

This Agreement will be subject to the following Legislative Framework which were considered and form the basis of this agreement:

1. Municipal Finance Management Act, Act No. 56 of 2003;
2. Municipal Structures Act, Act No. 117 of 1998;
3. Municipal Systems Act, Act No. 32 of 2000;
4. Protection of Personal Information Act, Act No. 4 of 2013;
5. Municipal Supply Chain Management Policy: Richmond Local Municipality;
6. Municipal Cost Containment Regulations, 2019.
7. Municipal Property Rates Acts of 2004.

5. BUSINESS RELATIONSHIP BETWEEN THE PARTIES

- 5.1 The parties acknowledge that the contractual relationship between the parties is solely that of an Outsourcing party and Service Provider in compliance with the relevant legislation, regulations pertaining thereto and the Municipality's Supply Chain Policy.
- 5.2 The terms and conditions agreed to herein, are the only terms and conditions comprising part of the Services and shall be the only terms by which the Service Provider is bound to perform, and they supersede any previous terms and conditions between the Parties.
- 5.3 Any other specific requests by the Municipality shall be agreed to by both Parties and committed to in writing.

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

- 5.4 All other terms, conditions, alterations or amendments to these terms, in order to be valid, must be in writing, signed by both Parties; and will be added to this Agreement as an Addendum.
- 5.5 Notwithstanding the date of signature of this Agreement, this Agreement shall commence on the effective date and shall terminate after 60 months from the signing of service level agreement, unless agreed to otherwise by the parties, subject to annual assessment(s) based on performance as provided.

6. SERVICE PROVIDER RESPONSIBILITIES

- 6.1. The Service Provider is to implement the project, be responsible for all aspects of the project and shall deliver quality full end service in line with this contract.
- 6.2. The Service Provider must deliver the following deliverables as set out more fully in clauses 4-16:

PROJECT WORK PROGRAM

Task ID	Part A, B and C : Deliverables and work program
1	Project Management Function
1.1	Project Management Function: provide and manage a project plan for the implementation of the general valuation; manage and report on project deliverables and milestones; manage and report on project progress and project payments; attend Municipal steering committee meetings at least monthly; manage and report on project risk; manage daily, weekly and monthly data backups in terms of data management
2	Project Office & Project Establishment
2.1	Draft & Finalise Project Contract (MOA), project program and project cash flow plan
2.2	Finalise Sub-Contract Agreements
2.3	Establish Project Office and infrastructure

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Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

Task ID	Part A, B and C : Deliverables and work program
2.4	Project Office Overheads
2.5	Project Office IT Infrastructure Cost
3	Valuation Roll Management System (VRMS)
3.1	Provision of functional and operational Valuation Roll Management System: Certification and operation demonstrated. Includes all data extracts / exports required at least monthly. • VRMS installed and operational • VRMS Valuation of property • VRMS data import and export facility • VRMS create, read and search, update and delete functionality for roll data • VRMS reporting facility • Ability to capture and store Deeds Office data • Ability to store history of data with audit trails • Integration VRMS with GIS • Manage objections and appeals processing as per MPRA • Demonstrated security of data for the roll • Ability to produce valuation rolls and supplementary rolls • Ability to generate and print section 49 of MPRA as well as Valuation Certificates and other municipal valuer notices in terms of the MPRA
3.2	Integration of Valuation Roll Management System with Rates financial management system
3.3	VRMS Service Level Agreement
3.4	Hard Copy & Electronic Data Storage, Back-Up and Retrieval Plan
3.5	Hard Copy & Electronic Data Storage, Back-Up and Retrieval
4.A	Aerial Photography (refer to specifications)
4A.1	Acquire aerial photography/imagery for the Town (urban) areas only (0.25 resolution)

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

TENDER NO. RLM-05/2025/2026 FOR GENERAL VALUATION AND PREPARATION OF A VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2027 AND PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 1 JULY 2027 TO 30 JUNE 2032

Task ID	Part A, B and C : Deliverables and work program
4A.2	Acquire aerial photography/imagery for the balance being Rural/Farm areas only (0.25 resolution)
4.B	Property Register preparation for the general valuation
4B.1	Identify data sources
4B.2	Acquire, clean and prepare data (in addition to 4.3 and 4.4 below)
4B.3	Deeds office data (ownership and sales data) extracts as per bid document and integration to VRMS
4B.4	Prepare and create Property Register which shall comprise an electronic data base of all properties in terms of the bid specifications and best practice
4B.5	Prepare and create a Valuation Roll GIS cadastral layer in ESRI shape file format aligned to the property register database as per bid document specifications
4B.6	Undertake a record match between the new property register database (valuation roll) records and the <u>valuation roll GIS cadastral layer</u> and produce an exception report with corrective action plan.
4B.7	Undertake a record match between the new property register database (valuation roll) records and the <u>rates financial system records</u> and identify mismatches in a report.
4B.8	Prepare and create a digitised building footprint plan (layer) in ESRI shape file format for each building valued using the specified aerial photography. This will <u>not</u> be required where Non-CAMA methodology (individual valuation per property) is applied and where a building is inspected and measured on site with a sketch provided per building.
5	Project Sales Review; Market and Valuation Methodology Reports
5.1	Residential Contract Sales Review/Market Report & Valuation Methodology Report (to be read with annexure D) : 1) Initial market report and (2) final market report and to include Sales cadastral plans

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

Task ID	Part A, B and C : Deliverables and work program
	- Schedule of all usable sales reviewed in preparation for the general valuation - Data collection sales review forms per property - Provide data extracts in terms of applicable standards and the bid specifications
5.2	Non-Residential (includes agricultural PSI and special property types) Contract Sales Review/Market Report/ Costs reports & Valuation Methodology Reports (to be read with annexure D): 1) Initial market report and (2) final market report and must include - Sales cadastral plans - Schedule of all usable sales reviewed in preparation for the general valuation - Building cost report for specialised properties - Data collection sales review forms per property - Provide data extracts in terms of applicable standards and the bid specifications - Valuation templates
5.3	Data Collection, Data Capture and Digitised Building Footprint methodology, quality assurance plans and training manuals.
5.4	General Valuation Roll (GV) close out report (Annexure E as per the tender document)
5.5	General valuation roll objections / appeals processing: by the municipal valuer in terms of the MPRA as envisaged by Sections 50, 51, 52, 53 and 69 and the bid specifications.
5.6	General Valuation Objection processing close out report: including count, value changes and GIS spatial layer update (including Year 1) Annexure F as per the tender document
5.7	General Valuation Appeals processing (only attendance at appeal boards can be claimed as quoted under Part D of the schedule).

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TENDER NO. RLM-05/2025/2026 FOR GENERAL VALUATION AND PREPARATION OF A VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2027 AND PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 1 JULY 2027 TO 30 JUNE 2032

Task ID	Part A, B and C : Deliverables and work program
5.8	General Valuation Appeal close out report: including count, value changes and GIS spatial layer update (including Year 1) Annexure G as per the tender document
5.9	Collection and upload of photographs (JPEG format and 2 photos per building). To be priced on a rate per property.
6	Data collection RESIDENTIAL (table 1 cross ref to No. 6 section N Bid quote)
6.1	Develop and submit Data Collection/Data Capture methodology and a digitised building footprint GIS methodology plan
6.2	Prepare & submit data collection and data capture training manuals & Data collection forms per property type (to be read with Annexure D)
6.3	Recruit & Train data collectors
6.4	Collect / Verify and Capture Data (data, digitised building footprints – GIS layer, sketches, photos etc): undertake quality assurance in terms of Bid document
6.5	Collect / Verify and Capture Postal Address Data
6.6	Quality assurance Data Review
6.7	Maintain data
6.8	Provide data extracts in terms of the MPRA (s85), applicable standards and the bid specifications
7	RESIDENTIAL Valuations (table 1 cross ref to No. 6 section N Bid quote)
7.1	Generate values (Draft Value per property/Draft Valuation Roll) CAMA models and mass valuation methodology
7.2	Undertake Value Review and quality assurance - Identify anomalies - Sales ratio study (assessed value versus sale price) - Report on final values which deviated by more than 10% from original draft values

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

Task ID	Part A, B and C : Deliverables and work program
	Adjust values where necessary
7.3	Value Finalisation with Final Values, Photographs and Sketches available / uploaded to the VRMS (Final Value per property / final valuation roll)
7.4	Provide data extracts in terms of the MPRA (s85), applicable standards and the bid specifications
8	Data collection NON RESIDENTIAL (table 1 cross ref to No. 6 section N Bid quote)
8.1	Develop and submit Data Collection/Data Capture methodology and a digitised building footprint GIS methodology plan
8.2	Prepare & submit training manuals & Data collection forms (to be read with annexure D)
8.3	Collect / Verify and Capture Data (data, digitised building footprints – GIS layer, sketches, photos etc): undertake quality assurance in terms of Bid document
8.4	Collect / Verify and Capture Postal Address Data
8.5	Quality assurance Data Review
8.6	Maintain data
8.7	Provide data extracts in terms of the MPRA (s85), applicable standards and the bid specifications
9	Non Residential Valuations (table 1 cross ref to No. 6 section N Bid quote)
9.1	Valuations (draft values)
9.2	Undertake Value Review and Quality Assurance - Identify anomalies by reviewing units of comparison over values - Report on final values which deviated by more than 10% from original draft values - Adjust values where necessary

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

TENDER NO. RLM-05/2025/2026 FOR GENERAL VALUATION AND PREPARATION OF A VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2027 AND PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 1 JULY 2027 TO 30 JUNE 2032

Task ID	Part A, B and C : Deliverables and work program
9.3	Value Finalisation with Final Values, Photographs and Sketches available / uploaded to the VRMS (Final Value per property / final valuation roll)
9.4	Provide data extracts in terms of the MPRA (s85), applicable standards and the bid specifications
10	Valuation roll
10.1	Compile and print Final General Valuation Roll certified by the Municipal valuer and hand over to municipal manager. Generate section 49 (1) of MPRA for external printing
10.2	Upload the General Valuation Roll and Objections forms to designated Website
10.3	Close out report - General Valuation Annexure E as per the tender document (table 1 cross ref to No. 5.4)
10.4	Provision and submission of all General Valuation data, documents, reports and information generated from the general valuation in terms of the bid specifications and the MPRA
11	General Valuation Objections / Appeals processing and management (table 1 cross ref No. 5.5 & 5.6)
11.1	Process objections GV - Record objections in database - Respond in writing to objectors - Consider objections and adjust value, if appropriate - Make available sales evidence in support of decision upon request - Provide written reasons for adjustments greater than 10% - GIS cadastral layer of objections received with decisions and changes - Notify objectors in writing of decision - Provide written reasons to objectors for adjustment upon request from objectors
11.2	Close out report on objections Annexure F as per the tender document (table 1 cross ref item 5.6)

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Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

Task ID	Part A, B and C : Deliverables and work program
11.3	Process Appeals GV - Record appeals in database (roll) - Make available sales evidence in support of decision upon request - Represent the Municipality at Valuation Appeal Board hearings - GIS cadastral layer of appeals received with decisions and changes
11.4	Close out report GV appeals Annexure G as per the tender document (table 1 cross ref item 5.8)
12	Updating of valuation rolls: Perform the functions of the municipal valuer, preparation of supplementary valuations and preparation of an annual supplementary valuation roll in terms of the MPRA and Bid specifications with the Annexure "H" report. (table 1 cross ref item 7)
12.1	Updating of valuations rolls: Perform the functions of municipal valuer, conduct supplementary valuations, prepare an annual supplementary valuation roll with associated activities, including the section 78 and 49 administrative support and notifications and provide data and information extracts from the VRMS as required by the municipality. (Includes full review and objections processing) (First Financial Year after GV effective date)
12.1.1	Updating of Valuation Roll GIS Cadastral layer: In ESRI shape file format in terms of the bid specifications, to ensure that the valuation roll (property register) and the GIS valuation roll layer are synchronised. To deliver annually with each Supplementary Roll. (First Financial Year after GV effective date)
12.1.2	Supplementary Valuation Roll report: Includes body of evidence to confirm MPRA compliance and full review, objection and appeals processing one roll per annum (First Financial Year after GV effective date). Annexure H as per the tender document

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

Task ID	Part A, B and C : Deliverables and work program
12.1.3	Source and supply MONTHLY deeds office transfer data (ownership and sales data) extracts for the updating of the valuation roll - sections 77, 78 and 79
12.2	Updating of valuations rolls: Perform the functions of municipal valuer, conduct supplementary valuations, prepare an annual supplementary valuation roll with associated activities, including the section 78 and 49 administrative support and notifications and provide data and information extracts from the VRMS as required by the municipality. (Includes full review and objections processing) (Second Financial Year after GV effective date)
12.2.1	Updating of Valuation Roll GIS Cadastral layer: In ESRI shape file format in terms of the bid specifications, to ensure that the valuation roll (property register) and the GIS valuation roll layer are synchronised. To deliver annually with each Supplementary Roll. (Second Financial Year after GV effective date)
12.2.2	Supplementary Valuation Roll report: Includes body of evidence to confirm MPRA compliance and full review, objection and appeals processing one roll per annum (Second Financial Year after GV effective date) Annexure H as per the tender document
12.2.3	Source and supply MONTHLY deeds office transfer data (ownership and sales data) extracts for the updating of the valuation roll - sections 77, 78 and 79
12.3	Updating of valuations rolls: Perform the functions of municipal valuer, conduct supplementary valuations, prepare an annual supplementary valuation roll with associated activities, including the section 78 and 49 administrative support and notifications and provide data and information extracts from the VRMS as required by the municipality. (Includes full review and objections processing) (Third Financial Year after GV effective date)

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

Task ID	Part A, B and C : Deliverables and work program
12.3.1	Updating of Valuation Roll GIS Cadastral layer: In ESRI shape file format in terms of the bid specifications, to ensure that the valuation roll (property register) and the GIS valuation roll layer are synchronised. To deliver annually with each Supplementary Roll. (Third Financial Year after GV effective date)
12.3.2	Supplementary Valuation Roll report: Includes body of evidence to confirm MPRA compliance and full review, objection and appeals processing one roll per annum (Third Financial Year after GV effective date) Annexure H as per the tender document
12.3.3	Source and supply MONTHLY deeds office transfer data (ownership and sales data) extracts for the updating of the valuation roll - sections 77, 78 and 79
12.4	Updating of valuations rolls: Perform the functions of municipal valuer, conduct supplementary valuations, prepare an annual supplementary valuation roll with associated activities, including the section 78 and 49 administrative support and notifications and provide data and information extracts from the VRMS as required by the municipality. (Includes full review and objections processing) (Fourth Financial Year after GV effective date)
12.4.1	Updating of Valuation Roll GIS Cadastral layer: In ESRI shape file format in terms of the bid specifications, to ensure that the valuation roll (property register) and the GIS valuation roll layer are synchronised. To deliver annually with each Supplementary Roll. (Fourth Financial Year after GV effective date)
12.4.2	Supplementary Valuation Roll report: Includes body of evidence to confirm MPRA compliance and full review, objection and appeals processing one roll per annum (Fourth Financial Year after GV effective date) Annexure H as per the tender document

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

TENDER NO. RLM-05/2025/2026 FOR GENERAL VALUATION AND PREPARATION OF A VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2027 AND PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 1 JULY 2027 TO 30 JUNE 2032

Task ID	Part A, B and C : Deliverables and work program
12.4.3	Source and supply MONTHLY deeds office transfer data (ownership and sales data) extracts for the updating of the valuation roll - sections 77, 78 and 79
12.5	Updating of valuations rolls: Perform the functions of municipal valuer, conduct supplementary valuations, prepare an annual supplementary valuation roll with associated activities, including the section 78 and 49 administrative support and notifications and provide data and information extracts from the VRMS as required by the municipality. (Includes full review and objections processing) (Fifth Financial Year after GV effective date)
12.5.1	Updating of Valuation Roll GIS Cadastral layer: In ESRI shape file format in terms of the bid specifications, to ensure that the valuation roll (property register) and the GIS valuation roll layer are synchronised. To deliver annually with each Supplementary Roll. (Fifth Financial Year after GV effective date)
12.5.2	Supplementary Valuation Roll report: Includes body of evidence to confirm MPRA compliance and full review, objection and appeals processing one roll per annum (Fifth Financial Year after GV effective date) Annexure H as per the tender document
12.5.3	Source and supply MONTHLY deeds office transfer data (ownership and sales data) extracts for the updating of the valuation roll - sections 77, 78 and 79
13	Valuation roll management system (VRMS) (Available, licenced and functional as per bid and bid specifications) (table 1 item cross ref with No. 8 section N Bid quote). Includes all data extracts / exports required at least monthly.
13.1	VRMS Licence SLA Year 1 (first Financial Year after GV effective date)
13.2	VRMS Licence SLA Year 2 (second Financial Year after GV effective date)
13.3	VRMS Licence SLA Year 3 (third Financial year after GV effective date)

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Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

Task ID	Part A, B and C : Deliverables and work program
13.4	VRMS Licence SLA Year 4 (fourth Financial Year after GV effective date)
13.5	VRMS Licence SLA Year 5 (fifth Financial Year after GV effective date)

7. AUTHORISED REPRESENTATIVES

- 7.1. The Municipality hereby appoints **Mrs Lucy-ann Pooran** to serve as a liaison officer between the respective parties for the purpose of amongst other functions, monitoring the services, issuing instruction, taking reports from the service provider, evaluating work delivered, receiving, and certifying invoices for payment for work duly delivered and for payment, et al.
- 7.2. The Municipality warrants that the only person officially authorised to sign any legal document including this contract on behalf of the Municipality, is **Mr. B.E Mswane** in his capacity as the **Municipal Manager** and as a duly authorised signatory to this contract.
- 7.3. The Service Provider hereby appoints **name of company representative** as its duly authorised representative to serve as a liaison officer between the respective parties, in her capacity as a Director.
- 7.4. The Service Provider warrants that **name of company director / member** in his/hers capacity as the director of **company name** is duly authorised to sign this contract on behalf of the Service Provider.
- 7.5. The said persons referred to in paragraphs 7.2 and 7.4 respectively may execute any document that is required or is permitted to be executed, under this Contract.

8. TAXES AND DUTIES

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Unless otherwise specified, the Service Provider and sub-consultants shall pay such taxes, duties and fees, as may be levied in terms of South African legislation, the amount of which is deemed to have been included in the fees/price.

9. FORCE MAJEURE

- 9.1 Subject to the following provisions of this clause, no party shall be responsible to the other for its failure to perform or any delay in performing any obligation under this agreement in the event and to the extent that such failure or delay is caused by *force majeure*.
- 9.2 For the purposes of this agreement *force majeure* shall mean any circumstance which is beyond the reasonable control of the party giving notice of *force majeure* ("the affected party"), including but not limited to war (whether declared or not), revolution, invasion, insurrection, riot, civil commotion, mob violence, sabotage, blockade, embargo, boycott, the exercise of military or usurped power, fire, explosion, theft, storm, flood, drought, wind, lightning or other adverse weather condition, epidemic, quarantine, accident, breakdown of machinery or facilities, strike, lockout or labour dispute, acts of restraints of government imposition, or restrictions of or embargoes on imports or exports, but shall exclude any breakdown and non-operation of the service providers equipment.
- 9.3 Notwithstanding the provisions of clause 9.1, a labour dispute, strike or lockout which could be resolved by the affected party acceding to the demands made of it, shall be deemed to be an event of force majeure.
- 9.4 The affected party shall give notice thereof to the other promptly upon the occurrence of an event of force majeure.

10. BREACH

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

- 10.1. In the event of the defaulting Party failing to comply with its obligations in terms of this Contract for which no specific remedy has been provided, the aggrieved Party may, by written notice addressed to the defaulting Party, require the defaulting Party to remedy its breach within 5 (five) business days of the date of such notice or should either Party commit any act of insolvency or be placed under judicial management or be wound up compulsorily or pass a resolution to wind up voluntarily or compromise generally with its creditors, or commit or suffer the commission of any breach of any of the terms and conditions of this agreement which by its nature cannot be remedied within a reasonable period of time, on more than one occasion, the other Party shall be entitled to notwithstanding any previous waiver or indulgence granted to the defaulting Party, at its election, in addition to any other remedies which it may have, to terminate this agreement.
- 10.2 If the defaulting Party fails to remedy its breach within the aforesaid period, the aggrieved Party may, without prejudice to any rights it may otherwise have against the defaulting Party, either—
- 10.2.1 claim specific performance of the obligations of the defaulting Party, in terms of this Contract; or
- 10.2.2 cancel this Contract and recover damages for breach of contract, from the defaulting Party where such breach is material.

11. TERMINATION

- 11.1. The Municipality may, on not less than 30 (thirty) business days' written notice of termination to the Service Provider, terminate the provision of any Services, should—
- 11.1.1 The Service Provider fail to remedy a failure in the performance of the Services hereunder, within 5 (five) business days of receipt of such notice, or within such further period as the Municipality may approve, in writing;
- 11.1.2 The Service Provider fail, in the absence of any review or appeal proceedings, to comply with any final decision reached as a result of any legal or arbitration proceedings;

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

- 11.1.3 as a result of *force majeure*, the Service Provider be unable to perform a material portion of the Services for a continuous period of not less than 60 (sixty) business days;
- 11.1.4 The Service Provider, in the judgement of the Municipality has engaged in corrupt or fraudulent practices in competing for or in executing the Contract. For purposes of this clause;
- 11.1.5 The Municipality, in its sole discretion, and for any reason, whatsoever, decides to terminate the Contract;
- 11.1.6 Should the Municipality terminate the Contract, pursuant to the provision of clause 11.1.4, the Municipality may withhold the payment of all outstanding fees and disbursements payable to the Service Provider resulting from practises emanating from clause 11.1.4;
- 11.1.7 Should the Municipality terminate the contract pursuant to the provisions of Clauses 11.1.3 and clause 11.1.5 the Municipality will be liable for the payment of all outstanding fees and disbursements payable to the Service Provider, as at the date of such termination.
- 11.2 Where this contract is terminated the following shall apply:
- 11.2.1 The employment of the Service Provider shall be terminated, and execution of the works shall cease. The Service Provider shall remain responsible for the works until possession is relinquished to the municipality;
- 11.2.2 The Municipality shall forthwith compile a report on the status of the portion of the works executed by the Service Provider and shall issue such report to the parties;
- 11.2.3 The Municipality shall timeously commence and complete a final account;
- 11.2.4 The Service Provider shall not be relieved of any of its liabilities concerning that portion of the works executed by the Service Provider;
- 11.2.5 The municipality may employ other parties to safeguard the works, complete the outstanding work and to rectify defected in that portion of the works

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

executed by the Service Provider. The cost of work thus carried out shall be certified by the Municipality and paid direct to such parties;

11.2.6 The municipality may use this Service Provider materials and goods, temporal buildings, plants and machinery on the site for proceeding with the works;

11.2.7 Where applicable the municipality shall be entitled to apply the penalty up to the date of termination and thereafter may recover damages from the Service Provider including, but not limited to, extra costs incurred in the completion of the outstanding work;

11.2.8 Where the current practical completion date has not occurred the municipality may recover damages;

11.2.9. The Municipality shall continue to issue interim payment certificates in nil amount until the quantum of damages has been determined and the final account has been completed. The final payment certificate shall den be issued; and

11.2.10 The latent defects liability period shall end.

11.3 The right to termination may not be exercised where the municipality is in material breach of this agreement.

12. ASSISTANCES BY THE MUNICIPALITY

The Municipality shall use its best endeavours, to assist the Service Provider to render the services and shall make available to the Service Provider any service and /or facility, as may be agreed upon.

13. CONFLICT OF INTEREST

Neither the service provider, nor the sub-consultants or personnel shall engage, either directly or indirectly, during this Contract, in any business or activities that would be in conflict with the activities assigned to them in terms of this Contract.

14. PAYMENT FOR SERVICES

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

- 14.1 The price at which the Service Provider for Call for proposal for the service providers specializing in shopfitting on a turnkey management services has been quoted by the service provider to the Municipality at the sum of **INSERT PRICE OF PREFERRED BIDDER** inclusive of VAT, which has been accepted by the Municipality.
- 14.2 The Municipality shall pay the Service Provider by no later than 30 days of presentation of a valid tax invoice and the required supporting documents and/ or vouchers in respect of services rendered by the Service Provider.
- 14.3 The Municipality shall not pay value-added tax ("VAT") unless the Service Provider has furnished the Municipality with proof of its registration for VAT and its VAT registration number.
- 14.4 The Municipality shall not pay to the Service Provider any amount, which exceeds the amount specified in a quotation given by Service provider as applicable, unless the parties have agreed in advance in relation to any varied payment.
- 14.5 Invoices to be submitted to the Municipality by the Service Provider must include all costs as applicable and any other costs incidental and/or related to the rendering of the service.
- 14.6 Payment shall be made as follows:
- 14.6.1 The service provider will submit the invoice with supporting documents to the municipality;
- 14.6.2 The Municipality's authorised representative will verify and confirm the accuracy of the invoice and certify the invoice for payment;
- 14.6.3 The invoice will be certified for payments and payments shall be made to the service provider's nominated bank account.
- 14.7 In the event that the Expenditure Accountant (SCM) is not satisfied with the performance, or any service rendered by the Service Provider as contemplated in the scope of the Services, the Expenditure Accountant (SCM) shall give notice to this effect to the Service Provider providing sufficient detail and reasonable time frame to enable the Service Provider to rectify such performance.

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

15. UNDERTAKING BY THE SERVICE PROVIDER

15.1. The Service Provider undertakes to-

- 15.1.1 execute the services and carry out all contractual obligations with due diligence, efficiency and economically, in accordance with generally accepted professional techniques and practices;
- 15.1.2 always act as a conscientious advisor to the Municipality and will at all times support and safeguard the legitimate interests of the Municipality in any dealings with third parties in respect of any matter relating to this contract;
- 15.1.3 acknowledge the statutory functions and duties of the Municipality and undertakes to perform its obligations under this contract in a manner that will not in any way detract from the image and reputation of the Municipality; and
- 15.1.4 ensure that the skills transfer takes place to encourage and support the development of professional technology, competence, with high standards of performance amongst Municipal Officials.

16. AGENCY AND REPRESENTATION

- 16.1 This contract does not confer on the Service Provider any right of agency or representation of the Municipality or to hold out that it has a special relationship with the Municipality. Any representation to this effect by the Service Provider will constitute a material breach of this contract.
- 16.2 The Service Provider does not have the authority to incur any debt or other liability or to obtain any credit facilities in the name of or on behalf of the Municipality, without the prior written authority of the Municipality.
- 16.3 Nothing in this contract must be construed as constituting a contract of employment between the Service Provider and the Municipality who by their signatures to this contract acknowledge that no such relationship exists.

17. CONFIDENTIALITY

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Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

- 17.1 For the purposes of this clause, confidential information includes any information or knowledge acquired by the Service Provider in the course of or incidental to providing the services to the Municipality in terms of this contract, whether such information originates from the Municipality or from other persons.
- 17.2 The Service Provider may not, directly, or indirectly, disclose any confidential information relating to the affairs of the Municipality to anyone except those persons authorised to have access to such information, or use such confidential information, unless for a purpose authorised by the Municipality or by law. If there is any doubt whether any disclosure or use is for an authorised purpose, the Service Provider must obtain a ruling in writing from the Municipality and must abide by it.
- 17.3 The obligation not to disclose or use confidential information contemplated in clause 17.2 will survive the termination of this contract, but the prohibition on disclosure will not apply to confidential information, which is already in the public domain, other than as a result of being divulged by the service provider.

18. PROPERTY OF THE MUNICIPALITY

- 18.1 All material required by the service provider related to artwork, which the organisation has paid for shall remain the property of the municipality.
- 18.2 Upon the termination of this contract for any reason, the Service Provider must immediately return to the Municipality all property whatsoever which belongs to the Municipality.
- 18.3 In addition, the Service Provider must return to the Municipality all other material containing information relating to the affairs of the Municipality, regardless of whether or not such material was originally supplied by the Municipality, including, but not limited to, designs, records, discs, accounts, letters, notes or memoranda.

19. INDEMNITY

- 19.1 During and after this contract –

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

19.1.1 the Service Provider will keep the Municipality indemnified against all indirect and consequential and special or direct losses and damages and expenses and costs and claims including, but not limited to, legal fees and expense suffered by the Municipality or any third party where such loss or damage or expense or cost is the result of any wrongful action or omission or negligence or breach of any contract by the Service Provider or its employees and /or its agents; and

19.1.2 The Municipality will not be liable for any loss incurred by the Service Provider as a result of any unnecessary or irrelevant work done by the Service Provider including work done after an extension.

20. DURATIONS OF CONTRACT

20.1 Notwithstanding the date of signature hereof, the parties have agreed that this contract commences on the date of inception meeting **insert date** to the Service provider and shall remain in effect until the completion of the works which shall not be longer than a period of sixty (60) months, and that the duration is based on the terms as set out in the Municipal Finance Management Act, Act No. 56 of 2003 (The MFMA).

20.2 The contract is not automatically renewable upon the end of three-month period and should be considered terminated at contract expiry.

20.3 In the event of the service not being concluded within the duration of this contract then both parties may in writing consent to an extension of this contract for a period until such time as both parties have discharged all of their obligations in terms of the contract and as per the MFMA.

21. GENERAL

21.1 This contract constitutes the entire contract between the parties.

21.2 This contract wholly supersedes and replaces any previous contracts concerning the provision of services by the Service Provider to the Municipality, which may have come into existence between the parties prior to the signing of this contract, and

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

irrespective of whether such previous contracts came into existence through conduct, orally or in writing.

- 21.3 On entering this contract, no party relies on any warranties, representations, terms, conditions, disclosures or expressions of opinion in respect of matters dealt with in this contract that are not contained in this contract.
- 21.4 No relaxation, extension or indulgence which a party may grant to any other constitutes a waiver of any right of that party or a novation of any term of this contract and does not preclude that party from exercising any right which may have arisen in the past or which arises in the future.
- 21.5 No variation, suspension, deletion, amendment or modification of this contract, including this clause, is of any force or effect, unless recorded in writing and signed by the parties, and is effective only in the specific instance and for the purpose and to the extent set out.
- 21.6 This contract may not be ceded or assigned nor the rights in terms of this contract pledged or made over to any other person.

22. DOMICILIUM ADDRESS AND NOTICES

- 22.1. The parties choose as their addresses for the purposes of this contract, the addresses set out below, and any party may change its *domicilium* as aforesaid by written notice to the other party, which change will take effect seven (7) days after the date of receipt or deemed receipt of such notice. The changed address must be a physical address:

RICHMOND LOCAL MUNICIPALITY

The Office of the Municipal Manager
57 Shepstone Street
Richmond
3780
Telephone No: (033) 212 2155
Telefax No: (033) 212 4668

THE SERVICE PROVIDER

PHYSICAL ADDRESS

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

22.2 Any notice or correspondence given by hand, or given by pre-paid registered post or by telefax to the domicilium chosen by the addressee in terms of clause 22.1 will be deemed to have been received by the addressee -

22.2.1 on the date on which the same was delivered, if delivered by hand;

22.2.2 on the seventh (7th) day after the date of posting, if sent by pre-paid registered post;

22.2.3 on despatch, if sent to the addressee's telefax number.

23. DISPUTE RESOLUTION

23.1 Without detracting from either party's right to institute action or motion proceedings in the High Court or other Courts of the competent jurisdiction in the Republic of South Africa in respect of any dispute that may arise out of or in connection with this Agreement, the parties may, by mutual consent, follow the mediation and/or arbitration procedure as set out in this Clause.

23.2 Mediation

23.2.1 Subject to provisions of Clause 23.1, any dispute arising out of or in connection with this Agreement will be referred by the parties to the Mediator in the Republic of South Africa.

23.2.2 The dispute shall be heard by the Mediator at the place and time to be determined by him or her in consultation with the parties.

23.2.3 The Mediator shall be selected by the Agreement between the parties.

23.2.4 If an agreement cannot be reached upon a particular Mediator within 5 (five) business days after the parties have agreed to refer the matter to mediation, the President for the time being of the Legal Practice Council shall be requested to nominate a Mediator within 7 (seven) business days after the parties have failed to agree.

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

23.2.5 The Mediator shall at his/her sole discretion determine whether the reference to him/her shall be made in the form of written or verbal representations, provided that in making this determination he/she shall consult with the parties and may be guided by their common reasonable desire of form in which the said representations are to be made.

23.2.6 The parties shall have 10 (ten) days within which to finalise their representations. The Mediator shall within 7 (seven) of the receipt of the representations express in writing an opinion on the matter and furnish the parties with a copy thereof by hand or by registered post.

23.2.7 The opinion so expressed by the Mediator, shall be final and binding upon the parties unless either party is unwilling to accept the opinion expressed by the Mediator. In such event, the aggrieved party may institute legal proceedings in Court of the Competent jurisdiction, unless the parties agree to refer the dispute to arbitration in accordance with Clause 23. The expressed opinion of the mediator shall not prejudice the rights of either party in any manner or whatsoever in the event of legal proceedings or arbitration, as the case may be.

23.2.8 The cost of the mediation shall be determined by the Mediator.

23.2.9 The liability for such costs shall be apportioned by the Mediator and shall be due and payable to the Mediator on presentation of his/her written account

24. ARBITRATION

24.1 Subject to provisions of Clause 22, the parties may agree to refer any dispute arising out of or in connection with this agreement to Arbitration.

24.2 Arbitration shall be held in the venue to be determined by the parties, and otherwise in accordance with the provisions of the Arbitration Act No.42 of 1965, in being

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

intended that if possible, it shall be held and concluded within a period of 15 (fifteen) business days.

24.3 Save as otherwise specifically provided herein, the Arbitration shall be, if the matter in dispute is:-

24.3.1 primary a legal matter, a practicing Senior Advocate of Durban Bar, KZN;

24.3.2 any other matter, an independent and suitably qualified person as may be agreed upon between the parties to the dispute

24.4 If agreement cannot be reached on whether the question in dispute falls under paragraph 24.3.1 and 24.3.2 of Clause 24 and/or upon a particular Arbitration within 3 (three) business days after the parties have agreed on Arbitration, then the Senior Advocate shall be requested to:-

24.4.1 determine whether the question in dispute falls under paragraph 24.3.1 or 24.3.2 nominate the Arbitrator within 7 (seven) business days after the parties have failed to agree.

24.5 The Arbitrator shall give his/her decision within 5 (five) business days after the completion of the Arbitration, the Arbitrator may determine that the cost of the arbitration is to be paid either by one or the other or both parties.

24.6 The decision of the Arbitrator shall be final and binding and may be made an Order of Court upon the Application by any party to the Arbitration.

24.7 The decision by the Arbitrator may be appealable in a period of 10 (ten) days of the receipt of the decision.

25. WAIVER

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

- 25.1 No waiver of any of the terms and conditions of this Contract shall be binding unless expressed in writing and signed by the party giving the same, and any such waiver shall be affected only in a specific instance and for the purpose given.
- 25.2 No failure or delay on the part of either party in exercising any right, power or privilege precludes any other or further exercising thereof or the exercising of any other right, power or privilege.
- 25.3 No indulgence, leniency, or extension of time which any party (the grantor) may grant or show the other party, shall in any way prejudice the grantor or preclude the grantor from exercising any of its rights in terms of this Contract.

26. PENALTIES

A penalty of 0.1% (zero-point one percent) of the project value shall be charged by the municipality to the service provider for each additional day taken by the service provider to complete the project after the agreed upon completion date.

27. CONTRACTUAL AGREEMENT

This agreement is the entire contract between the parties regarding the matters addressed herein. No representations, terms, conditions, or warranties not contained in this agreement shall be binding on the parties. No agreement or addendum varying, adding to, deleting or terminating this agreement including this clause shall be effective unless reduced to writing and signed by the parties.

Contracting Parties

(1) **Municipality** **RICHMOND LOCAL MUNICIPALITY**

Physical address 57 SHEPSTONE STREET RICHMOND 3780
Tel 033 212 2155 Fax _____ E-mail mm@richmond.gov.za

(2) **Service Provider** _____

Physical address _____

Tel _____ Fax _____ E-mail _____

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Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2

TENDER NO. RLM-05/2025/2026 FOR GENERAL VALUATION AND PREPARATION OF A VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2027 AND PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 1 JULY 2027 TO 30 JUNE 2032

Tax/VAT No _____

The accepted contract sum (Amount inclusive of tax)

R.....

In words **INSERT AMOUNT IN WORDS OF PREFERRED BIDDER**

Signature of the contracting parties:

Thus, done and signed at RICHMOND on _____

BHEKANI ERROL MSWANE

Name of signatory

for and behalf of the **municipality** who by
Signature hereof warrants authorisation hereto

MUNICIPAL MANAGER

Capacity of signatory

As Witness (1)

Thus, done and signed at _____ on _____

Name of signatory

for and behalf of the **service provider** who by
Signature hereof warrants authorisation hereto

Capacity of signatory

As Witness (2)

Municipal manager	Witness 1	Witness 2	Service Provider	Witness 1	Witness 2